(d) if so, the details thereof; and

(e) the steps proposed to be taken for the implementation of eligibility criteria of selection for Directors of private banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) to (e) The report of consultative group of directors of Banks and Financial Institutions headed by Dr. A.S. Ganguly set up by Reserve Bank of India to review supervisory roles of Boards of Banks is under consideration of the Government. The major recommendations of the Group are as under:

(i) appointment of one more whole time director on the Boards of large-sized natonalised banks.

(ii) establishment of appropriate due diligence procedures for appointment of directors on the boards of private sector banks.

(iii) setting up of Nomination Committees of Boards of banks to recommend appointment of independent/non-executive directors.

(iv) building and creation of pool of a professional and talented people for board level appointments in banks and also maintenance of the data for the purpose by Reseve Bank of India etc.

(v) besides above, the recommendations also focus on the role and responsibilities of independent/non-executive directors, their training and remuneration, commonality of directors of banks and NBFCs, information flow to/from the Board, Composition of Financial committees of the Boards, etc.

Improvement in agricultural credit

1413. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that credit to agriculture continue to be below the target;

(b) if so, what steps Government propose to take to achieve the target;

(c) whether it is also a fact that the public investment in agriculture had also come down; and

(d) if so, what step Government propose to take to improve agriculture credit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) and (b) As per the extent guidelines issued by Reseve Bank of India (RBI), all domestic scheduled commercial banks are required to lend 18% of their Net Bank Credit (NBC) to agriculture sector within the target of 40 per cent set for priority sector lending. Data received by RBI from the banks show that as on the last reporting Friday of March, 2002, outstanding agricultural advances of public sector banks as a group stood at 15.81% of their net bank credit as against the stipulated target of 18%. Banks which are unable to meet their priority sector/agricultural lending targets have to deposit the shortfall in the Rural Infrastructure Development Fund (RIDF) set up with National Bank for Agriculture and Rural Development (NABARD), RBI has formulated a time frame of two years within which both public and private sector banks should achieve this target of 18% for lending to agriculture. Accordingly, banks have been advised to take necessary steps so as to reach this target by March, 2003.

(c) and (d) Yes, Sir. However, RBI has taken several steps to increase institutional finance to agriculture which has more than doubled in last four years. Some of these are:

- Formulating of Special Agricultural Credit Plans by public sector banks with a view to achieve distinct and marked improvement;
- Opening of atleast one specialized agricultural finance branch by all scheduled commercial banks in each State;
- Introduction and issue of Kisan Credit Cards for farmers;
- Setting up of Rural Infrastructure Development Fund (RIDF) to assist State Governments in quick completion of rural infrastructural projects;
- Introduction of a scheme for financing agri-clinics and agri-business centres to accelerate the process of technology transfer to agriculture and providing supplementary sources of input supply and services;

- Introduction of a scheme for financing small and marginal farmers for purchase of land for agricultural purposes;
- Increasing the limit for financing of distribution of inputs for allied activities to Rs. 25 lakh; and
- Increasing the credit limit for produce (marketing) loan to Rs. 5 lakhs.

Kisan Credit Card

†1414. SHRIMATI KUM KUM RAI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the number of farmers who have been issued Credit Card State-wise during the last three years;

(b) whether there is any plan to issue credit cards to the marginal farmers of Bihar; and

(c) the major advantages of Kisan Credit Card and the details of the respective fields where these Cards can be used by the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) The State-wise details of the total number of farmers who have been issued Kisan Credit Cards (KCCs) during the last three years are given in Statement (*See* below).

(b) As reported by Reserve Bank of India (RBI), in order to facilitate wide coverage of farmers under the KCC Scheme, banks have been advised to consider issue of KCCs even for limits below Rs. 5000, which would cover small and marginal farmers in the country, including those in Bihar.

(c) The main objective of KCC Scheme is to provided adequate and timely support from banking system to farmers for their cultivation needs including purchase of inputs in a flexible and coast effective manner. KCC holders can use the cards to readily purchase agricultural inputs such as seeds, fertilizers, pesticides, etc. and draw case for their production needs. Other salient advantages of the scheme are as under:

†Original notice of the question was received in Hindi.